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C O N F I D E N T I A L SECTION 01 OF 02 LISBON 001315

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E.O. 12958: DECL: 07/02/2016 TAGS: PGOV PREL PINR PO

SUBJECT: PORTUGUESE FM RESIGNS, NEW MOD AND FM SWORN IN

REF: LISBON 769

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Classified By: Dana M. Brown, Pol/Econ Officer, State Department. Reason: 1.4 (b) and (d)

11. (SBU) Summary: Portuguese FM Diogo Freitas do Amaral resigned on June 30, citing health reasons. MOD Luis Amado was named to become the next Foreign Minister, and Amado was replaced by Nuno Severiano Teixeira, the former director of the Institute of National Defense. Both men were sworn in on July 3 in the second cabinet shuffle under the Socrates Administration (2004-2009). This shuffle is unlikely to affect the excellent relations we have with both the Foreign and Defense Ministries. End summary.

Freitas Resigns, Others Named

12. (U) On June 30, Portuguese Foreign Minister Diogo Freitas do Amaral officially resigned, citing "health reasons which require surgery." PM Socrates read the President's official letter of acceptance before the full cabinet, and named Luis Amado as the next Foreign Minister and Nuno Severiano Teixeira as the next Minister of Defense. Socrates was careful to highlight Freitas' long service to the Portuguese public sector and efforts to modernize Portugal, sidestepping Freitas' occasional propensities to go off message or clash with GOP policies. Severiano Teixeira and Amado were subsequently sworn in at the Presidential Palace on July 3.

Health Reasons Prompted Departure?

- 13. (U) A Foreign Ministry press release cites "three spinal lesions" and the requisite months of medical treatment as the reasons behind Freitas' departure. The note reported that Freitas is scheduled for surgery on July 3.
- 14. (SBU) However, in addition to Freitas' health concerns, one local political commentator suggested that a policy disagreement with the United States had prompted the resignation. Nuno Rogeiro, a close Embassy contact and SIC News commentator, speculated in a TV interview that it was possible Freitas had resigned after meeting with the Ambassador to discuss the Luso-American Development Foundation (FLAD) on June 27 or as a result of recent developments in East Timor. (Comment: Other Embassy interlocutors also privately suggested that FLAD tensions had been the cause of Freitas' abrupt departure. Freitas had lost his temper in a one-on-one meeting with the Ambassador on June 27 to discuss proposed structural changes to FLAD and the Prime Minister's Office was subsequently informed that it

had been a difficult meeting. Nonetheless, Freitas' tenure has been marked by a number of public missteps, and it had only been a matter of time until his early departure. His health problems appear to have provided the most compelling justification, at least for public consumption. End comment.) Rogeiro was the only commentator to publicly suggest that Freitas resigned for any reason other than health, and most discussion about the resignation had died down by Sunday, overwhelmed by the nation's euphoria surrounding Portugal's victory over England in the World Cup quarter finals.

Political Party Reactions

15. (U) This is the second cabinet change under the Socrates Administration. Former Finance Minister Campos e Cunha resigned in July 2005, citing personal reasons and exhaustion. Local Catholic radio station "Radio Renaissance" quoted some reactions to the Freitas resignation on June 30. Social Democrat Party (PSD) Member of Parliament Miguel Macedo was quoted as saying that Freitas' departure was inevitable and overdue. Leftist Bloc (BE) leader Francisco Louca told the press that this was a victory for rightist forces and that Amado's selection would bring Portugal's policy closer to Washington's.

Policy Implications

16. (C) COMMENT: The Foreign Minister change is unlikely to have much effect on bilateral policy as Amado has proven to be a balanced, pro-U.S. cabinet member as Defense Minister. Amado confirmed his intentions to maintain the policies that Freitas had espoused and remarked, "The government is the same and there will be continuity." Amado was key in Portugal's decision to augment its presence in Iraq during

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his tenure as Defense Minister, and has been steadfast in maintaining Portugal's military participation in international efforts such as Afghanistan, Iraq, Bosnia, Kosovo, and in Africa.

- 17. (C) COMMENT CONTINUED: The change we are likely to witness is in style. Amado is much more discreet and less prone to public missteps than Freitas, and any differences with us will be addressed quietly and behind closed doors. Ambassador Hoffman developed an excellent relationship with Amado at MOD, which we fully expect will continue with the change in Amado's portfolio.
- 18. (C) COMMENT CONTINUED: An historian and university professor, Severiano Teixeira is an expert on defense issues and published a book recently on the Portuguese defense establishment. He previously served as Interior Minister in the Guterres government, so he has inside knowledge of the security structure. Severiano Teixeira in the past has been very pro-NATO, but leery of muscular U.S. use of force outside of formal multilateral alliances. We have not had close interactions with him in the recent past, so cannot speak to the personal style he will bring to bear in his new position. We expect the broad outlines of GOP defense policy to remain strongly Atlanticist in orientation. Severiano Teixeira participated in a special International Visitor Program in the United States commemorating the 50th anniversary of the founding of NATO. End comment.

Bio Sketches

19. (U) Biographical Information on Luis Amado

PERSONAL:

Born in Porto de Mos, Leira Portugal on September 17, 1953.

ACADEMIC:

Graduated in Economics from ISE, Technical University of

Courses attended: Post-grad in European economy, Catholic University, Institute of National Defense, 1990; Law making course

PROFESSIONAL:

- Advisor, Madeira Accounts Court

POLITICAL:

- Georgetown University) International Relations Office (2002)
- Former Secretary of State for Foreign Affairs and Cooperation under Antonio Guterres Administration (1999)
- Secretary of State Assistant to the Minister of Internal Administration, XIII Constitutional Government (1995-1997)
- Deputy to the Assembly of Republic as of 1992
- Councilman, Funchal, 1989
- Deputy to Madeira Legislative Assembly (1985-1988)
- Defense Minister (March 2005-June 2006)

110. (U) Biographical Information on Nuno Severiano Teixeira

PERSONAL:

Born in Guinea Bissau, Ph.D. in Contemporary International Relations from the European University Institute, Florence, Italy. Research work in Portugal and the European Integration and Portugal and the European Security.

PROFESSIONAL:

- First Institute of National Defense (IDN) civilian Director (1996-2000)
- Associate professor of history at the New University of Lisbon and University of Evora
- Participated in a $\bar{\text{Special}}$ IV Group project honoring NATO's 50th anniversary (1999)
 - Authored "Power and War" and "Internal and External
- Policies in the Portugal of 1890"
- Former Minister of the Interior under the Antonio Guterres Administration Hoffman